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FM AMEMBASSY PORT LOUIS

TO RUEHC/SECSTATE WASHDC 4312

INFO RUEHDS/AMEMBASSY ADDIS ABABA 1026

RUEHJO/AMCONSUL JOHANNESBURG 0763

RUCPDOC/DEPT OF COMMERCE WASHDC

RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

UNCLAS PORT LOUIS 000424

SIPDIS

AF/E FOR MARIA BEYZEROV ADDIS FOR SHAWNA HIRSCH OES FOR STANLEY SPECHT JOHANNESBURG FOR FCS CRAIG ALLEN EEB FOR STEPHEN GALLOGLY

E.O. 12958: N/A

TAGS: ENRG ECON EIND SENV TRGY MP SUBJECT: ONE COMPANY LEADS THE GREEN INITIATIVE IN MAURITIAN TEXTILES

REF: A. PORT LOUIS 97
¶B. PORT LOUIS 368

- 11. Summary. Richfield Tang Knits Ltd (RT Knits), a textile manufacturing company in Mauritius, has taken initiative to move toward "sustainable textile production," incorporating "Green Productivity Techniques" into a new facility in La Tour Koenig, near Port Louis. Using wind and solar energy, collecting rain water, and changing the company's perspective, Executive Director Jean Li Wan Po hopes that RT Knits can be a leader and example for the rest of the island's textile industry. For their efforts, RT Knits is being recognized by the Mauritius Export Association (MEXA) as Company of the Year. Both Li Wan Po and Executive Director of MEXA Danielle Wong expressed frustration about the carbon credit system, citing high prices from consultants offering to help Mauritius businesses join various carbon credit schemes. End Summary.
- 12. RT Knits, a company of 1600 employees with an annual production capacity of 16 million units of jersey wear, has two fully-operational production sites in Mauritius and is close to launching its third, with a green tint, at La Tour Koenig. With a turnover of 37 million USD in 2007, RT Knits' main markets are in Europe and South Africa. Orvis, a Vermont-based American company, is currently RT Knits' only American customer. In building the La Tour Koenig facility (which includes an 800,000 sq. ft. factory built on 30 acres of land), RT Knits spent approximately 25 million USD on green features, including using solar and wind power in creative ways and collecting and reusing rain water. La Tour Koenig, set partway up a hillside south of Port Louis, benefits from high exposure to the sun and an almost constant wind.
- 13. RT Knits installed solar panels on the main factory building in a zig-zag fashion to maximize exposure to the sun-the first such installation of its kind in Mauritius. But instead of collecting and using solar power to generate energy, RT Knits will use it directly to heat water used in the dyeing process--reducing the use of fossil fuels for heating by 80 percent. Wind power is also being used directly in the factory through special vents installed in the wall facing the wind that are manually opened and closed. The wind can be used to remove excess cotton that is produced during fabric processing--something usually done by electric fans or vacuums.
- 14. In addition, RT Knits has dug rain water collection channels that run 15 meters deep, allowing water that would normally run downhill to instead be collected underground. The storage warehouse on the La Tour Koenig property is completely unplugged, using only natural lighting during the day and stored solar power at night. The on-site cafeteria, dormitory, and offices have all been constructed with windows that provide natural lighting for as long as possible during daylight hours. All of these innovations result in a 30 percent reduction in overall fuel consumption, with a goal

of increasing that to 50 percent in the near future, according to project manager Patrick Koo.

- 15. Li Wan Po asserted that the decision to go green was a company one with the future in mind. He stated that "we are taking a big risk," referring to the large investment of capital for something that is not required and for which the company will receive no direct recompense. Mauritius provides no tax relief or other benefits to companies that implement environmental techniques. What RT Knits does gain is lower production costs and, so far, positive press coverage of their initiatives, which fall in line with the Prime Minister's Office's project, Maurice Ile Durable (Sustainable Mauritius) (see Refs). RT Knits was also a highlight at the Second General Session of the 2008 Annual Conference of the International Textile Manufacturers Federation held in Mauritius in October.
- 16. Li Wan Po mentioned carbon credits as something for Mauritius to think about in the future, but called it "unrealistic" at the moment due to the cost of getting started with a program. MEXA head Danielle Wong echoed his sentiments, relaying that a consulting firm offered to evaluate and provide information to Mauritian companies on the possibility of joining a carbon credit scheme for a fee that was well more than any monetary gain a company could garner from the credits themselves, calling it "complete nonsense." She lauded the efforts of RT Knits, stating that they were the basis for its selection as Company of the Year. Also, a few of other textile companies have started to follow their lead on a small scale.

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